

HOUSE BILL No. 1652

DIGEST OF INTRODUCED BILL

Citations Affected: IC 8-14; IC 8-17.

Synopsis: Local engineering assistance fund. Establishes the local engineering assistance fund. Makes appropriations from the motor vehicle highway account for grant-in-aid subsidies for the following: (1) Counties for the salaries of full-time county highway engineers. (2) Counties for the salaries of county highway supervisors who attain specified educational achievements with respect to the road scholar program. (3) Municipalities for the salaries of municipal engineers who are registered professional engineers. (4) Municipalities for the salaries of individuals who have primary responsibility for road and street maintenance and attain specified educational achievements with respect to the road scholar program. Eliminates the county highway engineer fund, and transfers any remaining money from the fund to the county highway engineers account of the local engineering assistance fund. Provides that the research and highway extension program (also known as the Local Technical Assistance Program or LTAP) is separate and independent from the Joint Transportation Research Project (originally known as the Joint Highway Research Project).

Effective: July 1, 2007.

Dembowski

January 23, 2007, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

HOUSE BILL No. 1652

A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 8-14-1-3 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2007]: Sec. 3. The money collected for the
3 motor vehicle highway account fund and remaining after refunds and
4 the payment of all expenses incurred in the collection thereof, and after
5 the deduction of the amount appropriated to the department for traffic
6 safety and after the deduction of one-half (1/2) of the amount
7 appropriated for the state police department, shall be allocated to and
8 distributed among the department and subdivisions designated as
9 follows:
10 (1) Of the net amount in the motor vehicle highway account the
11 auditor of state shall set aside for the cities and towns of the state
12 fifteen percent (15%) thereof. This sum shall be allocated to the
13 cities and towns ~~upon the basis that the population of each city~~
14 ~~and town bears to the total population of all the cities and towns~~
15 **in the manner described in section 3.5 of this chapter** and shall
16 be used for the construction or reconstruction and maintenance of
17 streets and alleys and shall be annually budgeted as now provided



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by law. However, no part of such sum shall be used for any other purpose than for the purposes defined in this chapter. If any funds allocated to any city or town shall be used by any officer or officers of such city or town for any purpose or purposes other than for the purposes as defined in this chapter, such officer or officers shall be liable upon their official bonds to such city or town in such amount so used for other purposes than for the purposes as defined in this chapter, together with the costs of said action and reasonable attorney fees, recoverable in an action or suit instituted in the name of the state of Indiana on the relation of any taxpayer or taxpayers resident of such city or town. A monthly distribution thereof of funds accumulated during the preceding month shall be made by the auditor of state.

(2) Of the net amount in the motor vehicle highway account, the auditor of state shall set aside for the counties of the state thirty-two percent (32%) thereof. However, as to the allocation to cities and towns under subdivision (1), and as to the allocation to counties under this subdivision in the event that the amount in the motor vehicle highway account fund remaining after refunds and the payment of all expenses incurred in the collection thereof and after deduction of any amount appropriated by the general assembly for public safety and policing shall be less than twenty-two million six hundred and fifty thousand dollars (\$22,650,000), in any fiscal year then the amount so set aside in the next calendar year for distributions to counties shall be reduced fifty-four percent (54%) of such deficit and the amount so set aside for distribution in the next calendar year to cities and towns shall be reduced thirteen percent (13%) of such deficit. Such reduced distributions shall begin with the distribution January 1 of each year.

(3) The amount set aside for the counties of the state under the provisions of subdivision (2) shall be allocated monthly upon the following basis:

(A) Five percent (5%) of the amount allocated to the counties to be divided equally among the ninety-two (92) counties.

(B) Sixty-five percent (65%) of the amount allocated to the counties to be divided on the basis of the ratio of the actual miles, now traveled and in use, of county roads in each county to the total mileage of county roads in the state, which shall be annually determined, accurately, by the department.

(C) Thirty percent (30%) of the amount allocated to the counties to be divided on the basis of the ratio of the motor

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1 vehicle registrations of each county to the total motor vehicle
2 registration of the state.

3 All money so distributed to the several counties of the state shall
4 constitute a special road fund for each of the respective counties
5 and shall be under the exclusive supervision and direction of the
6 board of county commissioners in the construction,
7 reconstruction, maintenance, or repair of the county highways or
8 bridges on such county highways within such county.

9 (4) Each month the remainder of the net amount in the motor
10 vehicle highway account shall be credited to the state highway
11 fund for the use of the department.

12 (5) Money in the fund may not be used for any toll road or toll
13 bridge project.

14 (6) Notwithstanding any other provisions of this section, money
15 in the motor vehicle highway account fund may be appropriated
16 to the Indiana department of transportation from the forty-seven
17 percent (47%) distributed to the political subdivisions of the state
18 to pay the costs incurred by the department in providing services
19 to those subdivisions.

20 (7) Notwithstanding any other provisions of this section or of
21 IC 8-14-8, for the purpose of maintaining a sufficient working
22 balance in accounts established primarily to facilitate the
23 matching of federal and local money for highway projects, money
24 may be appropriated to the Indiana department of transportation
25 as follows:

26 (A) One-half (1/2) from the forty-seven percent (47%) set
27 aside under subdivisions (1) and (2) for counties and for those
28 cities and towns with a population greater than five thousand
29 (5,000).

30 (B) One-half (1/2) from the distressed road fund under
31 IC 8-14-8.

32 SECTION 2. IC 8-14-1-3.5 IS ADDED TO THE INDIANA CODE
33 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
34 1, 2007]: **Sec. 3.5. (a) The sum set aside for cities and towns under
35 section 3(1) of this chapter must be allocated to the cities and towns
36 as described in this section. The allocations shall be made in the
37 following order:**

38 **(1) For all towns having a population of five thousand (5,000)
39 or less, as specified in subsection (b).**

40 **(2) If the distribution month is September, the appropriations
41 under:**

42 **(A) IC 8-14-13-10(b); and**

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(B) IC 8-14-13-11(b);
as adjusted by IC 8-14-13-13.

(3) For all cities and all towns having a population of more than five thousand (5,000), as specified in subsection (c).

(b) For a town having a population of five thousand (5,000) or less, the town's allocation bears the same relationship to the sum set aside for cities and towns under section 3(1) of this chapter as the town's population bears to the total population of all the cities and towns.

(c) For a city or a town having a population of more than five thousand (5,000), the city's or town's allocation is the result determined under STEP SIX of the following STEPS:

STEP ONE: Determine the sum set aside for cities and towns under section 3(1) of this chapter.

STEP TWO: Determine the total of all allocations determined under subsection (b).

STEP THREE: If the distribution month is September, determine the sum of the amounts appropriated under IC 8-14-13-10(b) and IC 8-14-13-11(b), as adjusted by IC 8-14-13-13. If the distribution month is not September, the result of this STEP is zero (0).

STEP FOUR: Subtract the following from the STEP ONE result:

(A) The STEP TWO result.

(B) The STEP THREE result.

STEP FIVE: Divide:

(A) the population of the city or town; by

(B) the total population of all cities and towns having a population of more than five thousand (5,000).

STEP SIX: Multiply the STEP FOUR result by the STEP FIVE result.

SECTION 3. IC 8-14-13 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

Chapter 13. Local Engineering Assistance Fund

Sec. 1. As used in this chapter, "county highway engineer" refers to a county highway engineer employed by one (1) or more county executives under IC 8-17-5-1.

Sec. 2. As used in this chapter, "county highway supervisor" refers to a county highway supervisor appointed by the county executive under IC 8-17-3-1.

Sec. 3. As used in this chapter, "fund" refers to the local

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engineering assistance fund established by section 7 of this chapter.

Sec. 4. As used in this chapter, "municipal engineer" means the principal civil engineer appointed by the executive of a municipality.

Sec. 5. As used in this chapter, "municipal street supervisor" means an individual who is employed by a municipality and has primary supervisory responsibility for road and street maintenance in the municipality.

Sec. 6. As used in this chapter, "municipality" has the meaning set forth in IC 36-1-2-11.

Sec. 7. (a) The local engineering assistance fund is established to assist counties and municipalities in the employment of engineering personnel who have attained the levels of professional licensing, certification, or education specified in this chapter. The fund must be used exclusively for this purpose.

(b) The auditor of state shall administer the fund.

(c) The expenses of the fund shall be paid from money in the fund.

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

(e) The fund consists of:

(1) appropriations made under sections 8(b), 9(b), 10(b), and 11(b) of this chapter; and

(2) other appropriations by the general assembly.

Sec. 8. (a) The county highway engineers account is established within the fund.

(b) There is annually appropriated from the counties' share of the April distribution of the motor vehicle highway account three million two hundred twenty thousand dollars (\$3,220,000) to be held by the auditor of state in the county highway engineers account.

(c) The auditor of a county that employs a county highway engineer shall annually certify the county's employment of the county highway engineer to the auditor of state. The certification must show:

(1) the name and address of the county highway engineer; and

(2) the serial number of the county highway engineer's certificate of registration issued by the state board of registration for professional engineers.

(d) Upon receipt of an annual certification of employment

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described in subsection (c) from a county auditor, the auditor of state shall distribute from the county highway engineers account to the county a grant-in-aid subsidy of thirty-five thousand dollars (\$35,000), which must be used by the county for payment of the county highway engineer's annual salary. If a county highway engineer is employed by two (2) counties acting jointly, the amount distributed to each county is seventeen thousand five hundred dollars (\$17,500).

(e) Any balance in the county highway engineers account at the end of a calendar year shall be returned to the counties' share of the motor vehicle highway account to be distributed in January of the following year.

Sec. 9. (a) The county highway supervisors account is established within the fund.

(b) There is annually appropriated from the counties' share of the April distribution of the motor vehicle highway account one million three hundred eighty thousand dollars (\$1,380,000) to be held by the auditor of state in the county highway supervisors account.

(c) The auditor of a county that employs a county highway supervisor who has attained an educational designation described in subsection (d)(1) or (d)(2) shall annually certify the county's employment of the county highway supervisor to the auditor of state. The certification must show:

(1) the name and address of the county highway supervisor; and

(2) the educational designation the county highway supervisor has attained in the road scholar program offered by the Indiana local technical assistance program, Purdue University.

(d) Upon receipt of an annual certification of employment described in subsection (c) from a county auditor, the auditor of state shall distribute from the county highway supervisors account to the county a grant-in-aid subsidy, which must be used by the county for payment of the county highway supervisor's annual salary in one (1) of the following amounts:

(1) Fifteen thousand dollars (\$15,000), if the county highway supervisor has attained the designation of master road builder in the road scholar program offered by the Indiana local technical assistance program, Purdue University.

(2) Seven thousand five hundred dollars (\$7,500), if the county highway supervisor has attained the designation of road

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builder in the road scholar program offered by the Indiana local technical assistance program, Purdue University.

(e) Any balance in the county highway supervisors account at the end of a calendar year shall be returned to the counties' share of the motor vehicle highway account to be distributed in January of the following year.

Sec. 10. (a) The municipal engineers account is established within the fund.

(b) Subject to IC 8-14-1-3.5, there is annually appropriated from the cities' share of the September distribution of the motor vehicle highway account one million fifty thousand dollars (\$1,050,000) to be held by the auditor of state in the municipal engineers account.

(c) The fiscal officer of a municipality that employs a registered professional engineer in the position of municipal engineer shall annually certify the municipality's employment of the municipal engineer to the auditor of state. The certification must show:

- (1) the name and address of the municipal engineer; and
- (2) the serial number of the engineer's certificate of registration issued by the state board of registration for professional engineers.

(d) Upon receipt of an annual certification of employment described in subsection (c) from the fiscal officer of a municipality, the auditor of state shall distribute from the municipal engineers account to the municipality a grant-in-aid subsidy of thirty-five thousand dollars (\$35,000), which must be used by the municipality for payment of the annual salary of the municipal engineer who is a registered professional engineer.

(e) Any balance in the municipal engineers account at the end of a calendar year shall be returned to the cities' share of the motor vehicle highway account to be distributed in January of the following year.

Sec. 11. (a) The municipal street supervisors account is established within the fund.

(b) Subject to IC 8-14-1-3.5, there is annually appropriated from the cities' share of the September distribution of the motor vehicle highway account one million three hundred eighty thousand dollars (\$1,380,000) to be held by the auditor of state in the municipal street supervisors account.

(c) The fiscal officer of a municipality that employs a municipal street supervisor who has attained an educational designation described in subsection (d) shall annually certify the municipality's

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employment of the municipal street supervisor to the auditor of state. The certification must show:

- (1) the name and address of the municipal street supervisor; and
- (2) the educational designation the municipal street supervisor has attained in the road scholar program offered by the Indiana local technical assistance program, Purdue University.

(d) Upon receipt of an annual certification of employment described in subsection (c) from the fiscal officer of a municipality, the auditor of state shall distribute from the municipal street supervisors account to the municipality a grant-in-aid subsidy, which must be used by the municipality for payment of the municipal street supervisor's annual salary in one (1) of the following amounts:

- (1) Fifteen thousand dollars (\$15,000), if the municipal street supervisor has attained the designation of master road builder in the road scholar program offered by the Indiana local technical assistance program, Purdue University.
- (2) Seven thousand five hundred dollars (\$7,500), if the municipal street supervisor has attained the designation of road builder in the road scholar program offered by the Indiana local technical assistance program, Purdue University.

(e) Any balance in the municipal street supervisors account at the end of a calendar year shall be returned to the cities' share of the motor vehicle highway account to be distributed in January of the following year.

Sec. 12. Two (2) or more municipalities acting under IC 36-1-7 may employ a full-time:

- (1) municipal engineer; or
- (2) municipal street supervisor.

A municipality acting under IC 36-1-7 that receives a grant-in-aid subsidy distributed under section 10 or 11 of this chapter shall divide the grant-in-aid subsidy among the contracting municipalities according to the terms of the interlocal agreement. If the terms of the interlocal agreement fail to specify the manner of division, the grant-in-aid subsidy shall be divided equally among the contracting municipalities.

Sec. 13. (a) As used in this section, "consumer price index" refers to the seasonally unadjusted United States City Average Consumer Price Index for Urban Wage Earners and Clerical

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Workers for all items with reference to the index base period 1982-1984 (equal to 100), as published by the Bureau of Labor Statistics of the United States Department of Labor.

(b) The dollar amounts in sections 8, 9, 10, and 11 of this chapter correspond to the value of the consumer price index in January 2007.

(c) The dollar amounts in sections 8, 9, 10, and 11 of this chapter are subject to annual adjustment as determined in STEP FOUR of the following formula:

STEP ONE: Determine the consumer price index for January 2007. If the Bureau of Labor Statistics of the United States Department of Labor changes the index base period of the consumer price index from that specified in subsection (a), adjust the consumer price index for January 2007 to conform with the new index base period.

STEP TWO: Determine the consumer price index for January of the year in question.

STEP THREE: Divide the STEP TWO amount by the STEP ONE amount.

STEP FOUR: Multiply the number to be adjusted by the STEP THREE amount, rounding to the nearest hundred dollars.

SECTION 4. IC 8-17-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. A county executive, or any ~~two~~ (2) or more number of counties and municipalities (as defined in IC 36-1-2-11) acting under IC 36-1-7, may employ a full-time county highway engineer who is responsible for supervising the design, construction, planning, traffic, and other engineering functions of the county highway department under the direction of the county executive. The engineer shall prepare all required surveys, estimates, plans, and specifications.

SECTION 5. IC 8-17-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) There is established a research and highway extension program for the local highway system to provide information concerning local highway system planning, design, construction, operation, maintenance, financing, and administration.

(b) The department shall contract with an educational institution or a qualified private agency to provide the research and extension program under this chapter. Before executing the contract, the director of highways or the director's designee, must meet with and obtain advice from committees designated by associations representing

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1 counties and municipalities. After the contract is awarded the
2 institution or private agency receiving the contract shall meet regularly
3 with the committees to obtain their advice.

4 **(c) The program established under subsection (a) is separate**
5 **and independent from a joint highway or transportation research**
6 **program conducted by the department and Purdue University.**

7 SECTION 6. THE FOLLOWING ARE REPEALED [EFFECTIVE
8 JULY 1, 2007]: IC 8-17-5-8; IC 8-17-5-9; IC 8-17-5-10;
9 IC 8-17-5-11.1.

10 SECTION 7. [EFFECTIVE JULY 1, 2007] Notwithstanding the
11 repeal of IC 8-17-5-8 by this act, if money remains in the county
12 highway engineer fund established under IC 8-17-5-8 (before its
13 repeal by this act) on June 30, 2007, the auditor of state shall
14 transfer the remaining money to the county highway engineers
15 account established by IC 8-14-13-8, as added by this act.

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